

PROPERTY ASSESSMENT APPEAL BOARD
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

PAAB Docket No. 2021-077-10102R

Parcel No. 241/01388-400-911

Thomas and Jeanette Boll,

Appellants,

vs.

Polk County Board of Review,

Appellee.

Introduction

The appeal came on for hearing before the Property Assessment Appeal Board (PAAB) on March 7, 2022. Jeanette Boll was self-represented. Assistant Polk County Attorney Mark Taylor represented the Board of Review.

Thomas and Jeanette Boll own a residential property located at 6719 NW 48th Court, Johnston, Iowa. Its January 1, 2021, assessment was set at \$569,900, allocated as \$141,000 in land value and \$428,900 in building value. (Exs. A & B).

Thomas Boll petitioned the Board of Review claiming the property's assessment was not equitable as compared with the assessments of other like property in the taxing district, and that there was an error in the assessment. Iowa Code § 441.37(1)(a)(1)(a & d) (2021). (Ex. C.) The Board of Review determined there was an error in the assessment and reduced the assessment to \$560,600, allocated as \$128,200 in land value and \$432,400 in building value. (Ex. B)

Boll then appealed to PAAB reasserting his claims.

General Principles of Assessment Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. PAAB is an agency and the provisions of the Administrative Procedure Act apply. § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB may consider any grounds under Iowa Code section 441.37(1)(a) properly raised by the appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code R. 701-126.2(2-4). New or additional evidence may be introduced. *Id.* PAAB considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009) (citation omitted).

In Iowa, property is to be valued at its actual value. § 441.21(1)(a). Actual value is the property's fair and reasonable market value. § 441.21(1)(b). Market value essentially is defined as the value established in an arm's-length sale of the property. *Id.* "Sale prices of the property or comparable property in normal transactions reflecting market value, and the probable availability or unavailability of persons interested in purchasing the property, shall be taken into consideration in arriving at its market value." *Id.*

Findings of Fact

The subject property is a one-story home built in 2012. It has 2091 square feet of gross living area, a full basement with 1304 square feet of living-quarter quality finish, two open porches, two fireplaces, and a 787-square-foot attached garage. The improvements are listed in normal condition with a 1+05 grade (superior quality). The site is 0.535 acres. (Ex. A).

Thomas Boll listed two property addresses on his Petition to the Board of Review that he believes support his inequity claim. The following table summarizes these properties. (Exs. A, D & E).

Address	Year Built	Grade	Gross Living Area (SF)	Basement Finish (SF)/Quality	Total Assessed Value
Subject – 6719 NW 48th Ct	2012	1+05	2091	1304/LQ	\$560,600
1 – 6720 NW 48th Ct	2011	1-05	2005	1226/Avg+	\$496,600
2 – 6727 NW 48th Ct	2012	1+05	2261	1540/Avg+	\$589,900

The Bolls purchased the subject property in 2012 for \$472,600.

Comparable 1, located across the street from the subject, was purchased in 2015 for \$450,000.

Comparable 2 sold in June 2021 for \$645,000, nearly \$55,000 more than its 2020 assessed value.

Jeanette Boll testified Comparable 1 is almost identical to the subject, but has less gross living area. We note it is also a year older than the subject, has a lower grade, and less basement finish of lower quality than the subject. She testified Comparable 2 is a custom-built home on a walk-out lot. She described the subject as a “spec home: without a walk-out feature.”

Jeanette identified errors in the home’s listing and raised those concerns to the Board of Review. She noted the property was not a walk-out lot; that there were two fireplaces, not one; and there were three bathrooms, not two. She acknowledged these errors have been corrected, and the overall total assessment was lowered by the Board of Review.

However, after reviewing the Board of Review’s exhibits, Jeanette noted the subject’s basement finish was listed as living-quarters quality while her comparables’ basement finish was listed as average plus. She questioned the basis for this difference and believes her basement finish should be the same as her neighbors and changed to average-plus quality. She asserts this constitutes an error in her assessment and also demonstrates inequity in the assessment. Jeanette conceded this error was not raised to the Board of Review and that she has never requested the Assessor’s Office to

inspect her property. She stated they had the property appraised for a recent refinance, but did not submit the appraisal for this appeal.

Deputy Assessor Lois Hand-Miller testified on behalf of the Board of Review. She described the various levels of quality of basement finish and noted living-quarters-quality finish is the highest and average-plus quality is the second highest. Hand-Miller testified the quality of finish is based on a number of factors; including the quality of the components (materials), the number of rooms, and the judgement of the appraiser who inspected the improvements at the time of construction. She also advised Jeanette that an inspection of her home could be requested at any time to ensure the listing is accurate. Jeanette was open to her suggestion of an inspection.

Hand-Miller also testified she reviewed of all properties in the subject's neighborhood pocket. Fifteen parcels were identified and all but two are one-story homes like the subject. (Ex. F). Several properties have the same or similar quality grade, lot size, bedroom and bathroom counts, and number of fireplaces. Others however have differing amenities which results in a wide range of assessments. We note the properties most similar in amenities to the subject have assessments ranging from \$496,600 to \$589,900, with the subject's assessment falling squarely within that range. Hand-Miller reported all of the properties in the subject's neighborhood pocket experienced an increase of approximately 6.8% in their assessments.

Analysis & Conclusions of Law

The Bolls claim that the subject property's assessment was not equitable as compared with the assessments of other like property in the taxing district, and that there is an error in the assessment. § 441.37(1)(a)(1)(a & d). They bear the burden of proof. § 441.21(3).

An error may include, but is not limited to, listing errors or erroneous mathematical calculations. Iowa Admin. Code R. 701–71.20(4)(b)(4). Jeanette Boll admitted the subject property's bathroom count, fireplace count, and lack of a walk-out has been corrected on the property record card. However, she now claims an error in the quality level assigned to their basement finish. Boll did not offer any exhibits or other

evidence substantiating her belief her basement finish should be correctly identified as average plus. Bearing the burden of proof, the lack of evidence is to Boll's detriment and we find she has not demonstrated an error. We suggest Boll request an inspection by the assessor's office to ensure the listing information is correct for future assessment cycles. Therefore, we now turn to the inequity claim.

Under section 441.37(1)(a)(1)(a), a taxpayer may claim that their "assessment is not equitable as compared with assessments of other like property in the taxing district." Simply comparing assessed values is not a recognized method for demonstrating inequity.

To prove inequity, a taxpayer may show an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). The record does not demonstrate any improper variation in assessment methodology among comparable properties. Boll's assertion that the quality of her basement finish should be the same as her neighbors does not demonstrate a variation in assessment methodology. As previously noted, the assignment of quality is property specific and dependent upon a number of factors. Variations in quality of finish can be expected in most any neighborhood.

Alternatively, a taxpayer may show the property is assessed higher proportionately than other like properties using criteria set forth in *Maxwell v. Shivers*, 133 N.W.2d 709, 711 (Iowa 1965). The *Maxwell* test provides inequity exists when, after considering the actual (2020) and assessed (2021) values of similar properties, the subject property is assessed at a higher proportion of its actual value. *Id.* This is commonly done through an assessment/sales ratio analysis comparing prior year sales (2020) and current year assessments (2021) of the subject property and comparable properties.

None of the properties Boll submitted sold in 2020. For that reason alone, the *Maxwell* analysis cannot be completed.

In addition to showing the ratios of comparable properties, Boll must show the subject's actual value. Boll did not submit any evidence of the subject property's actual

fair market value as of January 1, 2021. Typically, this evidence is a competent appraisal, comparative market analysis, or recent sales of comparable properties adjusted for differences between them and the subject property. § 441.21(1). Because of the lack of the foregoing required evidence, an assessment-to-sale-price ratio analysis cannot be developed. As a result, the *Maxwell* equity analysis cannot be completed either and the claim must fail.

Viewing the record as a whole, we find the Bolls have failed to prove their claims.


Order


PAAB HEREBY AFFIRMS the Polk Board of Review's action.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2021).

Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.

Any judicial action challenging this Order shall be filed in the district court where the property is located within 30 days of the date of this Order and comply with the requirements of Iowa Code section 441.37B and Chapter 17A.


Elizabeth Goodman, Board Member


Karen Oberman, Board Member


Dennis Loll, Board Member

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Polk Board of Review by eFile